

Pacific Power buying woody biomass for energy

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Pacific Power has signed a purchase agreement with Evergreen BioPower for a new, 10-megawatt biomass generation facility located at Freres Lumber in Lyons.

The facility will begin providing reliable renewable energy to the utility's customers during the fourth quarter of 2007. Approximately nine people will be employed at the facility.

The facility will use woody biomass, the residual waste wood that results from the lumber manufacturing process. Those residuals are then burned in a boiler to generate steam that is used both in the lumber-drying process and to produce electricity.

Evergreen BioPower will use the steam to generate renewable electricity for the surrounding area.

There has been renewed interest by forest products firms in developing these small biomass projects at their mills. The increase in natural gas prices along with government incentives has prompted several forest products firms to develop cost-effective cogeneration projects at their mills. They are sized to the mill's thermal load and use the captive waste wood fuel.

Pacific Power is working with various industry groups including the Forest Biomass Work Group, Oregon Forest Resources Institute and Energy Trust of Oregon to assess volumes, costs and markets across the state, as well as meeting with specific biomass plant developers to identify as many project opportunities as possible.

The momentum created by the forest industry's interest in woody biomass generation has enabled the utility to complete a number of biomass power purchase agreements, adding more than 30 megawatts of biomass resources to its renewable portfolio in the past 12 months.

Pacific Power is a division of Portland-based PacifiCorp, which was bought last month by MidAmerican Energy Holdings Co. MidAmerican is based in Des Moines, Iowa, and owned by Berkshire Hathaway Inc. of Omaha, Neb.